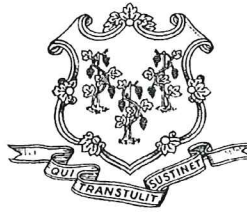


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February 28, 2019

Good Afternoon Senator Lesser, Representative Scanlon and members of the Insurance and Real Estate Committee. I would like to express my support for SB 902, AN ACT CONCERNING HIGH DEDUCTIBLE HEALTH PLANS, and HB 7174, AN ACT CONCERNING PRESCRIPTION DRUGS.

SB 902 would create certain patient protections for residents of our state who are covered under high deductible health plans. The legislation would require these plans to apply annual deductibles on a calendar year basis and prorate annual deductibles so that circumstances such as a change in employment do not require that an individual meet the annual cost-sharing twice. The bill would also benefit families because it would prohibit plans from increasing the annual deductible because the plan provides family coverage and it would prohibit annual deductibles that vary due to family size. I would also encourage you to include language from SB 28 that allows providers to directly bill insurers for patients with high deductible plans.

HB 7174 offers some innovative ways to regulate prescription drugs in our state.

It would establish the Connecticut Prescription Drug Program which would allow the state to leverage its purchasing power to offer lower prescription drug prices. It would also require transparency by pharmaceutical manufacturers regarding "pay-for-delay" agreements. These

agreements contribute to the high price of prescription drugs because they block generic drug entry into the market. The bill would prohibit any health carrier or pharmacy benefits manager from recouping any portion of a claim that such carrier or manager has paid to a pharmacy or pharmacist. This practice, called “Direct and Indirect Renumeration” (DIR) allows PBMs to create an unregulated revenue stream. Finally, this legislation would establish a task force to study drug re-importation which is an issue that has the potential to make significantly affect drug prices. Taken together these measures would continue on the path toward controlling pharmaceutical drug pricing that was started in PA 17-241 and PA 18-41.